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3 Q.1. Please state your name and business address.

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1 Federal Telecommunications Act of 1996 and the First Interconnection Order.¹

2 Finally I will discuss when remedies for non-performance are appropriate and
3 how they may be applied.

4 Section I of my testimony addresses the definition of comparative
5 measures and performance standards which demonstrate that we are providing
6 "non-discriminatory access " to unbundled network elements, resale services and
7 interconnection that is "at least equal in quality" to that provided ourselves and
8 our affiliates as required by Section 251(c)(2)(C) of the Act and Paragraph 224 of
9 the First Interconnection Order.

10 Section II of my testimony and associated appendices describes the
11 necessary comparative measures and performance standards that are included
12 in Pacific Bell's proposed agreement. I will explain why our proposed
13 comparative measures and performance standards are appropriate to
14 demonstrate "non-discriminatory" access to unbundled network elements and
15 resale services and to provide interconnection "at least equal in quality" to that
16 provided to ourselves, our affiliates, and other parties.

17 Section III of my testimony details our proposal for remedies in the form of
18 liquidated damages. The Act authorizes arbitrators to prescribe only those
19 conditions needed to "meet the requirements of section 251." Nothing in the Act,
20 explicitly or implicitly, mandates that interconnection agreements include
21 measures of performance or penalties. Nevertheless, we are willing to
22 voluntarily negotiate reasonable liquidated damages for non-performance that
23 are tied directly to the statutory non-discrimination obligation in the Act, rather
24 than to arbitrary, prescribed levels of quality desired by MCI. My testimony
25 describes a specific proposal for these remedies.

26
27 ¹ Implementation of The Local Competition Provisions in The Telecommunications Act of 1996, CC
Docket no. 96-98, FCC 96-325 (released Aug. 8, 1996) (First Interconnection Order)

1 Q.5. Did you prepare and present testimony in the AT&T Arbitration case (A.96-
2 08-040)²?

3 A. Yes

4

5 Q.6. Which of the issues raised by MCI did you address in the AT&T arbitration?

6 A. I addressed the following issues:

7 • Our definition of comparative measures of parity

8 (Section I, Question 6)

9 • Recommended set of appropriate measures of parity

10 (Section II, Questions 11, 12, 14-17)

11 (Appendix JS-1, Tables 1-5)

12 • Recommended performance standards and proposed liquidated
13 damages.

14 (Appendix JS-1, Tables 1-5)

15 • Voluntary remedies for non performance in the form of liquidated
16 damages.

17 (Appendix JS-3, Tables 1-5)

18

19 Q.7. Is it your intent to incorporate the above referenced portions of your
20 testimony in the AT&T Arbitration case in this proceeding?

21 A. Yes, and it is attached hereto as Appendix JS-5MCI

22

23 Q.8. Are there any additional issues raised by MCI that you did not address in
24 your AT&T testimony?

25 A. Yes.

26

27

² Hereinafter referred to as AT&T Arbitration.

1 **Q.9. What are those issues?**

- 2 • MCI requests Pacific Bell to implement CABS or CABS-like billing systems for
3 charges relating to interconnection, unbundled elements, resale or other
4 Pacific Bell services (MCI Br., Exhibit 3, Issue 4)
- 5 • MCI states that compliance with existing Commission quality standards does
6 not comply with the Acts requirement for parity (MCI, Br., Exhibit A to Exhibit
7 9, page 7, lines 18 to page 8 line 13)
- 8 • MCI wants to audit Pacific Bell's performance in addition to receiving the
9 comparative data from Pacific Bell (MCI Br. Exhibit A to Exhibit 9, page 8,
10 lines 14-22)
- 11 • MCI purports to rely on some unspecified requirements in "Attachment VIII of
12 the contract", which was not attached to MCI filings.
- 13

14 **Q.10. Please summarize your testimony with respect to MCI's request for CABS**
15 **or CABS-like billing.**

16 A. With respect to MCI's request for CABS billing, I would like to clarify
17 Pacific Bell's position relative to wholesale billing and end user exchange of data.
18 Pacific Bell currently uses CABS, CRIS, and FABS to bill Network Elements,
19 Local Services and combinations of services. It is Pacific Bell's long term plan to
20 migrate most charges to the CABS billing format. Pacific Bell will not migrate
21 charges from CRIS or FABS where the cost of transferring the billed services do
22 not justify Pacific Bell incurring the expenses, for example, grandfathered
23 services. Pacific Bell will adhere to the billing terms and conditions in 175T,
24 Section 18.1. The migration to CABS over time has been accepted by AT&T.³ If
25 MCI demands that Pacific Bell implement the transfer from CRIS and FABS to
26

27 ³ See AT&T Arbitration case (A.96-08-040), Pacific Bell Exhibit 4 Section X, page 84-85 and Section
AA, page 89.

1 CABS or CABS-like billing sooner, or to transfer services to CABS where it is not
2 cost justified, MCI must pay the additional cost of the request. See First
3 Interconnection Order, Para. 225 and Section VII.

4
5 **Q.11. Do you agree with MCI that compliance with the Commissions quality**
6 **standards is insufficient to demonstrate service that is "at least equal in**
7 **quality"**

8 Yes. While Pacific Bell must comply with the Commissions quality
9 standards, it must also provide CLC's service at parity to the services Pacific Bell
10 provides to itself, its affiliates or others. Pacific Bell does not agree that it lacks
11 incentive to improve quality of service or that Pacific Bell will only provide service
12 to meet, not exceed, the Commission's current standards. As noted below,
13 maintaining the status quo would not be in Pacific Bell's best interest. Any
14 degradation in service will affect Pacific Bell, as well as the CLCs, since we are
15 required to provide service "at least equal in quality" with that which we provide
16 ourselves. It is not our intention to limit measures of parity to only those
17 standards set by the CPUC.

18
19 **Q.12. What is your position relative to the "full detail of MCI's requirements" for**
20 **service parity as referenced as "attachment VIII of the contract", Moss BR**
21 **Exhibit A, page 8 and 9**

22 A. The requirements contained in MCI's contract have not been properly
23 identified as issues in this matter as required by Section 252(b)(2)(A) of the Act.
24 The contract was not filed with nor served with MCI's petition. Therefore, I am
25 unable to comment and urge the Commission to reject any attempt by MCI to
26 make a late filing of the contract.

1 **Q.13. Does Pacific Bell agree that MCI should be permitted to audit Pacific Bell's**
2 **performance where comparative data is available to prove that Pacific Bell**
3 **is provide service that is "at least equal in quality"?**

4 **A.** No. As noted in Question 17 below, unless MCI can demonstrate that
5 Pacific Bell is not accurately tracking or reporting performance data, MCI should
6 not be permitted to audit Pacific Bell's performance.

7
8 **Q.14 What is your position relative to "The Specific Requirements for The**
9 **Audits" referred as Part A, Section 22 of the Proposed Contract?**

10 **A.** No proposed contract was filed with MCI's petition. Therefore I am unable
11 to comment and urge the Commission to reject any requirements contained in
12 the unfiled contract.

13

14 **SECTION I. PERFORMANCE MEASURES AND DEFINITIONS**

15

16 **Q.15. Will Pacific Bell ensure quality of service and service parity?**

17 **A.** Yes. MCI asserts that Pacific Bell "will have little or no incentive to
18 improve quality of service" and will provide MCI with service that only meet the
19 Commission's current standards. However, these concerns are unfounded. The
20 Act requires that Pacific Bell provide service "at least equal in quality" to that
21 which we provide ourselves, our affiliates and other parties. With this
22 requirement, any degradation in service would affect Pacific Bell as well as the
23 CLCs. This would not be in Pacific Bell's best interest. Pacific Bell will measure
24 comparable service and performance standards and will provide MCI with
25 performance reports sufficient for MCI to verify Pacific Bell has met the non-
26 discrimination and "equal in quality" requirements.

27

1 Q.16. How does Pacific Bell determine "service equal in quality"?

2 A. The Act requires Pacific Bell to provide service to MCI at levels at least
3 equal in quality to that which we provide to ourselves, our affiliates, and other
4 parties. Service parity will be measured (1) by class of service (e.g., residence,
5 business); (2) geography; and (3) over a comparable time period. As long as all
6 end users experience a comparable service level for the same class, geography
7 and time, the requirements of the First Interconnection Order will be met.

8 Pacific Bell does not agree with measuring service against prescribed
9 levels where comparative measures exist. A prescribed service level only
10 defines a specific level of service, but provides no information about the equality
11 of service levels actually delivered. Should MCI require prescribed service levels
12 which provide MCI a different grade of service than what we provide to ourselves
13 and our affiliates, then MCI should be required to compensate Pacific Bell for the
14 cost associated with the different grade of service. In the First Interconnection
15 Order, the FCC stated that CLCs were entitled to service equal in quality. The
16 FCC also concluded that "as long as new entrants compensate incumbent LECs
17 for the economic cost of the higher quality interconnection, competition will be
18 promoted". Id. at ¶ 225.

19 We propose to use service indicators generally accepted in the
20 telecommunications industry to compare the quality of service we are providing
21 to MCI with the service we provide ourselves, our affiliates and other parties.
22 On the basis of these comparative measures, we will be evaluated on our
23 performance and adherence to the First Interconnection Order. Additionally, we
24 believe it is appropriate that MCI be required to provide comparable levels of
25 service to Pacific Bell when Pacific Bell obtains service from MCI, so that end
26 users are able to choose among carriers as intended by the First Interconnection
27 Order.

1 **Q.17. What measures will be used to verify "quality" of service?**

2 **A.** We are proposing the same measures Pacific Bell uses internally for
3 equivalent retail products where comparable processes exist between resale and
4 retail ("comparative measures")(Appendix JS-3MCI). These measures, which
5 are more comprehensive than required by State or Federal mandate, are
6 common throughout the telecommunications industry and are used to manage
7 our business today.

8 Where comparable retail product processes do not exist, and a new
9 process has been designed specifically for wholesale and resale (e.g., firm order
10 confirmation process), then performance standards will apply.

11 Where a process used in retail, for technical reasons, cannot be used
12 initially for resale, but the output of the process is still required (e.g., the interim
13 telephone number assignment process), third party audits of that resale process
14 will be used in lieu of performance measurements when sufficient evidence
15 exists to support the need for an audit. However, the following conditions will
16 apply:

17 1. If audit findings indicate a process problem, we will be given a
18 reasonable period of time to correct the problem.

19 2. Liquidated damages could apply only after the period of time to
20 correct the problem has expired.

21 3. To ensure the confidentiality of proprietary information of Pacific
22 Bell, its customers and other CLCs, Pacific Bell and MCI will mutually agree to a
23 third party auditor.

24 4. MCI will pay for such audits.

25 Contrary to MCI's recommendation for Auditing Pacific Bell's
26 performance (Moss, page 8),⁴ we believe that the CPUC has the authority to

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⁴ . MCI Br , Moss, Exhibit A to Exhibit 9 (hereinafter Moss)

1 audit overall service performance. The CPUC reviews the quality of service
2 Pacific Bell provides to its retail customers. We expect that process to continue.

3 Service quality and service parity will be demonstrated through the
4 performance data provided to MCI on a regular basis. Audits should not be
5 required for operational processes for which Pacific Bell has defined comparable
6 measures or performance standards, unless MCI can demonstrate that Pacific
7 Bell is not properly tracking or reporting the performance data. If MCI is
8 permitted to audit Pacific Bell, the Commission should order that such audits
9 comply with the requirements set out above.

10

11 **Q.18. Are penalties required or appropriate?**

12 A. No, as noted in my response to Question 8 in the AT&T Arbitration,
13 penalties are not appropriate nor required by the First Interconnection Order or
14 Section 251 of the Act. Moreover, any measure of comparable service should be
15 based on service levels measured over a period of time, such as monthly, not on
16 an order specific basis. Should MCI require a specific service level on a per-
17 event basis, this is negotiable but will involve compensation to us to provide a
18 higher grade of service, as required by the First Interconnection Order, ¶ 225.

19

20 **SECTION II. COMPARATIVE MEASURES AND PERFORMANCE STANDARDS**

21

22 **Q.19. Does Pacific Bell have a Service Quality Measurement System?**

23 A. Yes, we have a quality management system that measures retail product
24 and process service quality performance. These measures of quality, which are
25 based on generally accepted industry standards and are commonly used by
26 incumbent LECs to evaluate quality service delivery, will be applied to MCI
27 service. In addition, our performance criteria used to evaluate service quality are

1 widely accepted by the regulatory bodies and the results are shared with the
2 Commission on a quarterly basis to ensure that our retail customers are
3 receiving quality service. For example, we provide the Commission quarterly
4 results regarding installation appointments met and customer trouble reports.

5 We believe that use of these comparative measures are the best way to
6 ensure that the service quality MCI experiences is on par with that which is
7 provided to ourselves and our retail customers for the same products. Further,
8 while the First Interconnection Order does not require us to provide comparative
9 data to MCI, we are willing to provide the appropriate data to MCI.

10 If MCI requests a higher or different level of service than what is provided
11 to our retail customers, ¶ 225 of the First Interconnection Order requires MCI to
12 pay all costs associated with Pacific Bell's design, development, tracking and
13 delivery of the requested level of service.

14

15 **Q.20. Does Pacific Bell know what it would cost to provide MCI with a higher or**
16 **different level of service?**

17 A. As noted in my response to Question 11 in the AT&T Arbitration, Pacific
18 Bell will work with a CLC to provide a higher or different level of service, provided
19 that the CLC pays all costs associated with developing, tracking and complying
20 with such standard. Appendix JS-2MCI identifies the cost associated with just
21 two of MCI's requests for a different level of service than we proposed. For
22 example, it would cost nearly \$500,000 just to meet MCI's request for reporting
23 repair problems via an 800 number (assuming a speed of answer of 75% in 20
24 seconds). This expense is totally unnecessary, as Pacific Bell has an electronic
25 system that MCI could use rather than calling Pacific Bell to report repair
26 problems. The second example in Appendix JS-2MCI relates to MCI's request
27 for immediate status on trouble reports. It would cost nearly two million dollars to

1 meet this request if MCI does not use our electronic system. These are just two
2 small examples of the additional cost necessary to meet MCI's request for a
3 specific capability.

4

5 **Q.21. Does Pacific Bell's quality management system ensure MCI of non-**
6 **discriminatory service as it relates to pre-ordering, ordering, provisioning,**
7 **maintenance, repair, wholesale billing, usage data transfer and operator**
8 **services?**

9 A. Yes, as noted in my response to Question 12 and 13 in the AT&T
10 Arbitration the various measurements proposed by Pacific Bell ensure MCI of
11 non-discriminatory service for pre-ordering, ordering, provisioning, maintenance,
12 repair, and wholesale billing. As noted in Question 14 in the AT&T Arbitration,
13 comparative measures don't apply to Operator Services. Nevertheless, Pacific
14 Bell will provide MCI status reports on performance of Operator Services as set
15 forth in Appendix JS-4. As noted in Question 15 in the AT&T Arbitration, usage
16 data transfer is a new process. Measurements of parity for usage data transfer
17 need to be developed based on actual experience and continued negotiations
18 with MCI and other CLCs.

19

20 **Q22. What service quality measures does Pacific Bell propose to evaluate to**
21 **assure "equal in quality" service to MCI?**

22 A. We have compiled a comprehensive and reasonable list of service quality
23 indicators for pre-ordering, provisioning and maintenance. (Appendix JS-1MCI).
24 We believe these service indicators assure MCI service that is equal in quality to
25 that which we provide to ourselves and our retail customers.

26

27

1 Q.23. Will Pacific Bell provide service quality performance data when a CLC
2 requests a level of service different than the "equal in quality" criteria
3 when it is technically feasible?

4 A. Yes. However, consistent with the First Interconnection Order, we expect
5 the requesting CLC to bear the costs associated with service development,
6 delivery and performance measurement if the requested level of performance or
7 measurement is technically feasible. For example, MCI has indicated that it
8 does not intend to use our electronic interface called Pacific Bell Service
9 Manager (PBSM) for reporting troubles. Instead, MCI would prefer to call the
10 Interconnection Service Center (ISC) to report trouble and request that we
11 provide it with interim status reports on troubles. Since MCI refuses to use the
12 electronic trouble reporting and status system we provide to other CLCs, MCI
13 must pay for the development and on-going labor and non-labor costs
14 associated with meeting their expectations. Appendix JS-2MCI is an example of
15 costs associated with meeting MCI's requirements.

16
17 Q.24. Please summarize your testimony in this section of your testimony?

18 A. The First Interconnection Order does not require Pacific Bell to develop a
19 quality management system or provide comparative or performance standards
20 data to MCI. However, because we measure the level of service we provide to
21 our retail customers and provide that data to the Commission on a quarterly
22 basis we are willing to adopt similar standards of performance as appropriate in
23 the CLC market and report the results to MCI on a quarterly basis. In addition,
24 where there is no retail comparative, such as pre-ordering, we will develop
25 performance standards to ensure that the service we provide MCI is equal in
26 quality to the service provided to ourselves and our affiliates. Should MCI prefer
27 a different level of service, the Commission should find that we are able to

1 recover the costs associated with designing, developing and implementing MCI's
2 request. The Commission should not permit MCI to audit Pacific Bell's
3 performance unless MCI has evidence that Pacific Bell is not accurately tracking
4 or reporting performance data. In addition, the Commission should rule that
5 agreements reached relating to service performance are reciprocal in nature.
6

7 **SECTION III : REMEDY LIMITS & LIQUIDATED DAMAGES**
8

9 **Q.25. Is MCI justified in asking for penalties?**

10 A. No. The First Interconnection Order does not suggest or require any type
11 of credit or penalty. No penalty or liquidated damages is appropriate as long as
12 MCI receives service that is "equal in quality". No penalty is authorized by the
13 Act for failure to meet MCI's arbitrary standards.
14

15 **Q.26 Is Pacific Bell proposing a mechanism for dealing with situations where**
16 **performance is not "equal in quality", e.g., does not meet proposed**
17 **comparable measures or performance standards?**

18 A. Pacific Bell is willing to negotiate reasonable liquidated damages in the
19 event of non-performance that are tied directly to the statutory nondiscrimination
20 obligation, rather than the arbitrary standards. Our recommended measures of
21 performance include remedy thresholds listed in Appendix JS-3MCI. Liquidated
22 damages would not be applied to either party during the first six months of this
23 contract. During that time, end customer requirements will not be easily
24 predictable. New processes in both companies will not be completely stabilized
25 and volumes will be relatively low. Consequently, results associated with
26 comparable measures and performance standards may be somewhat variable
27 and, due to low volumes for some products, statistically invalid or not meaningful.

1 As activity levels in the competitive environment begin to ramp up and stability in
2 processes is achieved, appropriate remedies for non-performance would apply.

3
4 **Q.27. When will remedies apply and liquidated damages be dispensed?**

5 **A.** Performance will be reported on a monthly basis. Liquidated damages
6 will apply when performance falls below thresholds in residence or business
7 classes of service in the defined geography for a specific time frame. The
8 interested party shall provide notice of default no later than 30 days following the
9 date measurements are available.

10 Remedies shall be applied per the criteria in Appendix JS-3MCI when
11 default has occurred and where appropriate notice has been given. Payment of
12 remedies shall be in the nature of liquidated damages to the non-defaulting
13 party. Payment of liquidated damages, if any, will be based on comparative
14 measurements and performance standards in the categories defined in
15 Appendix JS-1MCI and JS-3MCI.

16
17 **Q.28 How will remedies be applied?**

18 **A.** As stated earlier in my testimony, we will measure wholesale and resale
19 performance against comparative retail results to determine if wholesale and
20 resale performance meets remedy thresholds. Where results fall below the
21 remedy threshold liquidated damages will apply. For example, if consumer retail
22 appointments met for a given month is 97% and the standard deviation of
23 performance is +/- 1 percentage points, parity is achieved if the performance for
24 resale appointments met is 96% or greater. If, on the other hand, resale
25 performance for appointments met is 93% remedies will apply. In this example,
26 we determine the amount of remedies by subtracting the resale performance
27 from the retail performance (97% - 93% = 4%) and multiplying the result by

1 MCI's total consumer basic exchange orders during the measurement period.
2 The result is then multiplied by a standard consumer resale non recurring charge
3 to determine total liquidated damages.
4

5 **Q.29 How did you determine the standard consumer resale non recurring**
6 **charge?**

7 A. The standard consumer resale non recurring charge is the sum of the
8 weighted average forecasted demand for consumer resale products multiplied by
9 the non recurring charges for consumer resale products.
10

11 **Q.30 What are the definable ranges regarding parity and performance**
12 **standards?**

13 A. Service levels vary in Pacific Bell saving areas due to specific
14 demographics. Therefore, to ensure true comparability of service performance,
15 service results will be associated with Pacific Bell's four major regional areas.
16 These areas (Bay, North, Los Angeles and South) are the same defined ranges
17 which Pacific Bell currently uses to assess service performance for its retail
18 channels.
19

20 **Q.31 How important are MCI forecasts to Pacific Bell's ability to provide service**
21 **equal in quality?**

22 A. Accurate forecasts are very important. To successfully meet the end
23 user's requirements, staffing and infrastructure are dependent on accurate
24 forecasting. Pacific Bell has service requirements from a number of CLCs and
25 thus relies on accurate forecasts. If Pacific Bell were to receive orders above the
26 CLC's forecasts, we would not have the capability to staff from a cost or time
27 perspective to meet those requirements until after they materialize. This may

1 negatively affect our ability to provide service. Absent accurate forecasts, Pacific
2 Bell should not be held liable for liquidated damages or service parity.

3 Forecasts of monthly volumes from MCI are required by wire center, once
4 a quarter for a rolling twelve-month period. The forecast, which will be used to
5 compare with actual volumes realized, will be the most recent forecast received
6 at least six months prior to the calendar month being measured.

7 Appendix JS-3MCI describes allowable variations of actual volumes and
8 prescribed remedies should actual volumes be above or below the current
9 forecast by more than 20 percent.

10

11

SUMMARY

12

13 **Q.32 Would you please summarize your testimony?**

14 A. 1. The Commission should not require Pacific Bell to meet MCI's arbitrary
15 service levels unless MCI is required to pay all costs associated with such
16 service levels.

17 2. If the Commission adopts any comparative measures or performance
18 standards, the Commission should adopt Pacific Bell's suggested measures of
19 parity set forth in Appendix JS-1MCI and Pacific Bell's proposed agreement,
20 Exhibit 5, Section 15.

21 a) Pacific Bell measures the level of service provided to its
22 retail customers and provides that data to the Commission on a quarterly basis.
23 Pacific Bell is willing to adopt similar standards of performance that are
24 appropriate in a resale, wholesale and interconnection market and report the
25 results to MCI monthly.

26

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1 b) Where there is no retail comparative measure, such as pre-
2 ordering, we have developed performance standards to ensure that the service
3 we provide MCI is equal in quality to the service provided to our affiliates.

4 3. The arbitrator should rule that agreements reached relating to service
5 performance and liquidated damages are reciprocal in nature.

6 4. The Commission should reject MCI's request for penalties and endorse
7 Pacific Bell's liquidated damages, as defined in Appendix JS-3MCI and Pacific
8 Bell's proposed agreement, Exhibit 4, Section 15.

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APPENDIX JS-1MCI
TO THE
TESTIMONY OF J. SINN

APPENDIX JS-1MCI

**APPENDIX JS-1MCI
TABLE 1**

PERFORMANCE STANDARDS - RESALE/WHOLESALE

PRE-ORDERING/ORDERING (Products: Residence (Basic service) Business (Single/ multi line, Centrex, PBX trunks) ISDN)		
DESCRIPTION	DEFINITION	METHOD OF CALCULATION
1. Customer Service Record 95% Receipt To Delivery within 4 Hours	Measures percent of Customer Service Records sent to the CLC within 4 hours of receiving request and LOA.	$\frac{\text{Total number of CSRs sent within 4 hours}}{\text{Total number of CSRs sent}} \times 100$
2. FOC Performance Standard 95% Accurate and Complete	Measures percent of Firm Order Confirmations that are accurate and complete.	$\frac{\text{Total number of accurate and complete FOCs}}{\text{Total number of FOCs}} \times 100$
3. Firm Order Confirmation 95% On Time (Within 4 Hours)	Measures percent of Firm Order Confirmations sent to CLC within 4 hours of receipt of basic exchange order.	$\frac{\text{Total number of FOCs sent within 4 hours}}{\text{Total number of FOCs sent}} \times 100$
4. Migration Notification 95% Received Within 48 hours	Measures percent of Migration Notifications sent to outgoing CLC within 48 hours of receipt of the Migration Order.	$\frac{\text{Total number of Notifications sent within 48 hours}}{\text{Total number of Notifications sent}} \times 100$
5. LSP PIC Change 95% completed within 4 hours	Measures percent of PIC changes initiated by CLC processed within 4 hours of receipt of order.	$\frac{\text{Total number of PIC changes processed within 4 hours}}{\text{Total number of PIC changes processed}} \times 100$
6. Service Order Discrepancy 90% initiated without interruption of the service order flow / business process	Measures percent of Orders initiated by CLC that result in a discrepancy. The discrepancy is a result of CLC issuance.	$\frac{\text{Total number of Service Orders with discrepancy}}{\text{Total number of Service Orders issued}} \times 100$

APPENDIX JS-1MCI
TABLE 2

MEASUREMENT OF PARITY WHOLESALE/RESALE

PROVISIONING (Products Residence (Basic service) Business (Single and multi line, Centrex, PBX trunks) ISDN, LINK)		
DESCRIPTION	DEFINITION	METHOD OF CALCULATION
1. % Installation Appointments Met	Measures percent of completed service orders with appointments met i.e. work completed by specific date and/or time negotiated with customer.	$\frac{\text{Total number of orders completed on time}}{\text{Total number of orders completed}} \times 100$ <p>Includes; new connects and change orders</p>
2. % Installation Reports	Measures trouble reports associated with service order activity generated within 30 days of activity. Measured as a percentage of total service orders.	$\frac{\text{Total number of installation trouble reports}}{\text{Total number of completed service orders}} \times 100$ <p>Includes; Pacific Bell network related trouble only.</p>

APPENDIX JS-1MCI
TABLE 3

MEASUREMENT OF PARITY - INTERCONNECTION

PROVISIONING (Products Local Interconnection trunking)		
DESCRIPTION	DEFINITION	METHOD OF CALCULATION
1. % Trunk Orders completed on or before confirmed due date	Trunk orders are completed on or before agreed upon due date. Comparable with feature group B & D.	$\frac{\text{Total number of orders completed on time}}{\text{Total number of orders completed}} \times 100$ <p>Includes; new connects and change orders</p>
2. Firm Order Confirmation time delivery	Measures percent FOC sent to CLC within specified time (equivalent to FG B&D SW Access)	$\frac{\text{Number of FOCs sent within specified time}}{\text{Total number of FOCs sent}} \times 100$
3. % Service Request Discrepancy	Measures percent of ISRs initiated by CLC that result in a discrepancy. The discrepancy is a result of CLC issuance.	$\frac{\text{Total number of Service Request with discrepancy}}{\text{Total number of Service Request issued}} \times 100$

APPENDIX JS-1MCI
TABLE 4

MEASUREMENT OF PARITY - WHOLESALE/RETAIL

MAINTENANCE Products Residence (Basic service) Business (Single and multi line, Centrex, PBX trunks) ISDN, LINK		
DESCRIPTION	DEFINITION	REMEDY THRESHOLD
1. Reports Per 100 Lines	Measures total number of trouble reports versus total access lines in service for comparable Pacific Bell retail exchange products.	$\frac{\text{Total number of completed trouble reports}}{\text{Total number of lines in service}}$ <p>Includes; Pacific Bell network related trouble only.</p>
2. % Maintenance Appointments Met	Measures percent of trouble reports with appointments met. i.e. trouble cleared by appointment date and time committed to the customer.	$\frac{\text{Total number of trouble reports completed on time}}{\text{Total number of trouble reports completed}} \times 100$ <p>Includes; Pacific Bell network related trouble only.</p>
3. % Repeat Reports	Measures percent of repeat trouble reports against services that experienced an initial trouble within the last 30 days.	$\frac{\text{Total number of repeat trouble reports}}{\text{Total number of trouble reports completed}} \times 100$ <p>Includes; Pacific Bell network related trouble only.</p>
4. Receipt To Clear Duration	Measures average duration in hours (or fraction thereof) of all trouble reports from receipt to resolution of trouble ticket.	$\frac{\text{Total Number of Trouble Report Hours and Minutes}}{\text{Total Number of Trouble reports}}$ <p>Includes; Pacific Bell network related trouble only.</p>

**APPENDIX JS-1MCI
TABLE 5**

PERFORMANCE STANDARDS

FORECASTING (Products Resale/Wholesale Products excluding Interconnection Trunks)		
DESCRIPTION	DEFINITION	METHOD OF CALCULATION
Requirements accurately forecast	Forecasts are accurate within 20% +/- in any calendar month of the forecast period.	Actual product volumes less forecasted product volumes divided by forecasted volumes x 100.

APPENDIX JS-2MCI
TO THE
TESTIMONY OF J. SINN

APPENDIX JS-2MCI

APPENDIX JS-2MCI

COST ANALYSIS FOR DIFFERENTIATED SERVICE

PERFORMANCE	REQUIREMENTS/ASSUMPTIONS	RESOURCES	COST
SPEED OF ANSWER: 75% Answered in 20 seconds Interconnection Services Center	MCI using 800 number instead of the provided electronic gateway and requesting a speed of answer measurement. 15 Minute handle time for all trouble reports. Manually answered, manually input. Manual processing time: 15 Minutes. 400 working minutes in a day. Average daily reports: 108 Reports 2.5% Report Rate requirement for 24 hour coverage, 7 day week. Projections based on 100,000 working lines	Force required: 4 Additional force required for 24 X 7: 5 Total force required: 9 Total force required: 4 (Per additional 100,000 Lines)	Initial first 12 month cost Non Labor: \$67,500.00 (Work station, equipment) Labor: \$1,018,800.00 Total cost: \$1,086,300.00 Additional Cost Non-Labor: \$30,000.00 (Work station equipment) Labor: \$452,000.00 Total cost: \$482,800.00
	Status required at the following points: pending screen, screen pending dispatch, dispatch, dispatch, trouble cleared. MCI requests calls at each status point. 5 Minutes handle time for each point of status. Manual processing time: 25 Minutes. 400 Working minutes in a day. Average daily reports: 108 Reports. 2.5% Report Rate requirement for 24 hour coverage, 7 day week. Projections based on 100,000 working lines.	Force required: 7 Additional force required for 24 X 7: 2 Total force required: 9 Total force required: 7 (Per additional 100,000 Lines)	Initial first 12 month cost Non Labor: \$67,500.00 (Work station, equipment) Labor: \$1,018,800.00 Total cost: \$1,086,300.00 Additional Cost: Non-Labor: \$52,000.00 (Work station equipment) Labor: \$792,400.00 Total Cost: \$844,400